

SAN LUIS OBISPO COUNTY

## DEPARTMENT OF PLANNING AND BUILDING

SENT BY EMAIL

January 16, 2014

Ms. Adele Lagomarsino  
California Department of Conservation  
Division of Oil, Gas and Geothermal Resource  
801 K Street, MS 18-00 Sacramento, CA 95814-353

**RE: Notice of Preparation (of Environmental Impact Report required by Public Resources Code section 3161, subd. (b)(3) and (4))**

Dear Ms. Lagomarsino,

On behalf of the County of San Luis Obispo Planning Department, we appreciate the opportunity to comment on DOGGRs efforts to evaluate the impacts of existing and potential future oil and gas well stimulation treatments occurring within California. The following comments are primarily focused on oil development within the County of San Luis Obispo.

As the County of San Luis Obispo must issue a discretionary permit before oil development can occur (primarily focusing on the above-ground portion of the oil extraction permitting process) within our County, and that we act as the Lead Agency for these discretionary permits, it is important that the County is recognized as an integral component of the review/approval process of oil facility development. To avoid additional costs and delays to the oil industry, we would recommend early consultation with the County to avoid, minimize and understand potential above-ground constraints. The following comments are intended to result in: greater clarity to the multi-agency permitting processes currently in place, streamlining, and assurances that adequate measures are built into the process to protect those in the vicinity of oil development and the County should problems arise. Our hope would be that this EIR can provide sufficient detail for the County to use as we prepare subsequent environmental documents for site specific areas.

- 1) Monitoring - As a means to assess the effects of fracking we believe it is very important to first establish baseline conditions before fracking/stimulation begins (especially if there are any surface water or groundwater resources in the vicinity), and then periodically during operations. A standardized approach could be developed, as well as performance standards or thresholds created to trigger actions by the operators to remedy any potential project-related contamination from fracking/ stimulation, should it arise.
- 2) Air Quality - Should potential air quality impacts be identified in the EIR analysis, a similar approach should be considered for baseline and ongoing monitoring of air quality. Also, would fracking/ stimulation increase unpleasant odors? Performance standards or mitigation measures could be recommended as a part of the EIR analysis.
- 3) Agency Coordination - Due to the multitude of agencies with some regulatory oversight of oil development (especially true during 'upsets'), it would be very helpful to list out these agencies, define their responsibilities, and identify where there is overlap and need for coordination should problems arise over fracking/stimulation. We have found this to be potentially challenging at the County level when we include an operations monitoring condition as a part of the local permit.

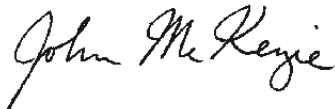
- 4) Financial Assurance – We have found on occasion that some well drilling operations by small companies, such as limited liability corporations, have abandoned their operation without proper closure. The County is concerned about small companies with limited funding availability that may file for bankruptcy should problems arise. We believe that DOGGR should discuss either a reasonable worst case scenario, or a process to evaluate a worse case scenario, that would establish reasonable costs of such an event, and what types of funding mechanisms or funding sources would be available to the operator to cover these costs.
- 5) Formation information - Will there be enough existing information about each existing known or recognized oil formation within the County to adequately assess the potential impacts of fracking/stimulation, or will this EIR obtain additional geological information to be able to conduct a detailed basin-level assessment? If not, will the EIR identify what the process(es) would be in the future for operators to follow if they wish to include fracking/stimulation within such a formation? Will the EIR include performance criteria to address the avoidance of significant impacts to water/air resources?

Should you have any questions please let me know. We look forward to reviewing the Draft EIR when it is complete. For all correspondence/notices and upon DEIR release, please send to:

John McKenzie  
County of San Luis Obispo Planning Dept.  
976 Osos Street, Rm. 200  
San Luis Obispo, CA 93408

Or, to [jdmckenzie@co.slo.ca.us](mailto:jdmckenzie@co.slo.ca.us)

Sincerely,

A handwritten signature in black ink that reads "John McKenzie". The signature is written in a cursive, flowing style.

Senior Planner